



Annual Report 2012

Skat Foundation was established by Skat Consulting in 2002, explicitly to promote the exchange and sharing of knowledge and experiences in development cooperation. Formal and informal Networks, whether personal or professionally organised play a key role for such an exchange.

Over the past few years, Skat Foundation has addressed the issue of networking in a number of ways. In 2006 on behalf of the German Agency for Technical Cooperation (GTZ) Skat Foundation developed a manual called "Work the Net – A Management Guide for Formal Networks", which we are now in the process of revising. Skat Foundation hosts the secretariat of the Rural Water Supply Network (RWSN). This is a global network of professionals and practitioners working to raise standards of knowledge and evidence, technical and professional competence, practice and policy in rural water supply and thus contribute to the vision of sustainable rural water services for all. During 2012 RWSN extended its network activities to over 2500 members and provided specific professional support through a set of well-tailored publications. In 2013 RWSN is planning with priority to ensure effective dissemination and application of these publications.

Additionally, various innovative project ideas have been followed up with different intensity according to available resources and capacities. Skat Foundation's achievements in 2012 demonstrate that the organisation continues to fulfil its mission, particularly with respect to knowledge sharing and networks.

Skat Foundation would like to thank all those for their efforts who contributed to the progress and success. Special thanks go to Skat Consulting. It was they who enabled the work of the Foundation with their staff and substantial financial support.



Dr. Rolf Leutert
President, Foundation Council



Karl Wehrle
Executive Secretary

Skat Foundation was established by Skat Consulting to foster the exchange of knowledge and experience in development cooperation. In order to achieve this, the foundation pursues three strategies:

- Ensuring access to **Information and Knowledge** based on experiences of development cooperation
- Supporting international **networks**
- **Innovative** projects

Information and Knowledge

Skat Foundations strives to gather, synthesise and disseminate experiences from Skat and other organisations working in development cooperation through distributing publications, conducting workshops, forums and via websites.

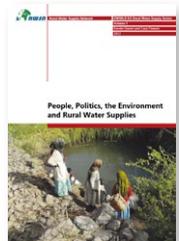
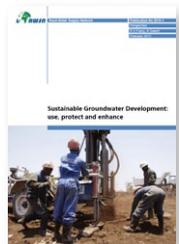
Publications

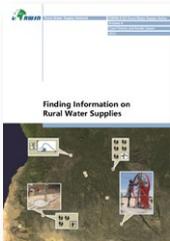
In 2012, several key publications were finalised, primarily under the umbrella of the Rural Water Supply Network (RWSN). Copies can be downloaded through the RWSN website (www.rural-water-supply.net). A limited number have been printed and are being disseminated.

The **Sustainable Groundwater Development: use, protect and enhance** publication is to help create a better understanding of the crucial importance of groundwater and to highlight the risk to its sustainability. It is intended for politicians, policy-makers, government partners and the public. It advocates responsible groundwater use and cautions against abuse. It encourages users of groundwater to protect and enhance this precious resource for the long-term benefit of the most vulnerable communities who primarily use handpumps.

Sustainable groundwater development is absolutely fundamental for universal access to safe drinking water. And yet this is poorly understood. Groundwater is a finite resource that in some countries is under serious threat from pollution, causing permanent aquifer damage, while in others, over-abstraction is resulting in reduced water availability.

RWSN-IFAD Rural Water Supply Series: Volume 1 - People, Politics, the Environment and Rural Water Supplies: This publication examines people, politics and the environment and their relation to drinking water supplies in rural areas. Water, Sanitation and Hygiene (WASH) has become a well-established developmental sector into which domestic water naturally falls. However, efforts to improve rural water supply services may benefit from more interdisciplinary collaboration.





RWSN-IFAD Rural Water Supply Series: Volume 4 - Finding Information on

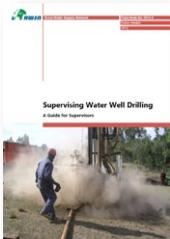
Rural Water Supplies: This publication helps you to navigate the information out there on rural water supplies. It is for stakeholders who are new to rural water supplies, as well as others who are already knowledgeable of the topic, but would like a comprehensive overview of current information sources.

It pulls together the main sources of information regarding rural water supplies coverage (and lack of coverage), implementation agencies and finance that exist in 2012. We also provide you with a starting point to find out more about water resources for rural water supplies.



RWSN-IFAD Rural Water Supply Series: Volume 5 - National Monitoring of

Rural Water Supplies How the Government of Uganda did it and lessons for other countries: Imagine a transparent process that brings together all the work that is taking place in the country. Imagine a mechanism that can show promising approaches and identify gaps. Imagine a report that consolidates the status, investment, progress and challenges on rural water supplies for an entire country. This is what the Government of Uganda has achieved over a ten-year period.



Supervising Water Well Drilling: A guide for supervisors:

Good supervision of water well drilling is essential for the provision of long-lasting water wells. This guidance note assists geologists and engineers in charge of the supervision of borehole construction as well as project managers. It can be used to prepare for training, and as a manual. This guide details the responsibilities of the drilling supervisor at the different stages of borehole construction. It explains the actions to be carried out at each stage that will ensure that the driller delivers the borehole as specified in the contract.



Procurement and Contract Management of Drilled Well Construction A

Guide for Supervisors and Project Managers: This guidance note assists project managers involved in the provision of groundwater supplies using boreholes. It sets out procurement and contract management procedures that will lead to the engagement of professional groundwater consultants, drilling contractors and suppliers. The publication will enable clients to ensure that they have the know-how to get the expected results out of drilling contracts.



Code de bonnes pratiques pour la réalisation de forages Version française

French version of the Code of Practice for Cost Effective Boreholes.
Languages: Available in English and French

Website

Skat Consulting and Skat Foundation are both represented on a joint website (<http://www.skat.ch>). The website provides information on key projects, as well as a large number of publications spanning many years. According to the web statistics, there are around 4300 visits to the website per month,

The Rural Water Supply Network (RWSN) launched a new website in 2012 (<http://www.rural-water-supply.net>). Apart from the modern design the website makes it easy for visitors to find country-specific information on rural water supplies. As the RWSN membership and engagement in the network continues to grow, it is envisaged that the website will become a major hub for the development cooperation community.

Networks

Networks are key to facilitating the exchange of knowledge and experience in development cooperation. Skat Foundation offers its services as a host and mentor for networks.

Rural Water Supply Network (RWSN)

The Rural Water Supply Network (RWSN) has become a global network. Its membership comprises over 2,500 practitioners and professionals from 100 countries. Individuals involved in improving drinking water supplies in rural areas. The main RWSN partner organisations are UNICEF, Swiss Agency for Development and Cooperation WaterAid, International Resource Centre, Water and Sanitation Programme, World Bank and the African Development Bank. Skat Foundation hosts the RWSN Secretariat.

In 2012 the RWSN Secretariat and partners actively engaged with the RWSN membership through a series of online discussions, online seminars and key events. As a result, hundreds of people exchanged their experiences, ideas and concerns. Topics were as far reaching; from the Human Right to water to how to accelerate self-help initiatives of rural people.

The 6th World Water Forum in Marseille provided an opportunity to build on RWSN's own Forum in Kampala, Uganda in 2011. The RWSN Secretariat took the lead at Marseille with respect to Rural Water Supplies and brought together over 80 diverse solutions from around the world. The Forum provided an opportunity to raise the profile of rural water and enabled further exchange and learning about numerous solutions as well as consideration of the development of post-2015 targets. It gave the international community the chance to catalyse high-level com-

mitment to the financing of rural water supplies, share and adopt approaches to sustainable service delivery, raise programme and project standards and galvanise stakeholders to engage fully in taking proven and innovative solutions to scale. With strong political engagement in this process, work undertaken for Marseille could feed into Rio+20 and beyond.

RWSN primarily works on four themes:



In 2012, the new **Equity and Inclusion** theme of RWSN (led by Loiusa Gosling, WaterAid) was particularly active. Over 40 RWSN members have voiced their ideas and concerns about how to implement the human right to water, to which the UN Special Rapporteur, Catarina de Albuquerque, responded in a webinar. You can still watch it on YouTube. RWSN has also hosted extensive experience sharing on the topic of water point mapping. With over 300 members eager to pose questions and respond, this has been one of RWSN's most successful online communities this year.



Accelerating Self Supply (led by André Olschewski of Skat): the important role of Accelerating Self Supply to improve rural water supplies is a reality for many practitioners and professionals. Self Supply will remain important as a complementary supply, but more efforts are needed to improve the performance of technical solutions and for the acceleration of Self Supply. These were the main conclusions of the E-Discussion held towards the end of the year.



The **Sustainable Groundwater Development** community (led by Kerstin Danert and Sean Furey of Skat) was also active in E-discussions this year, highlighting some of the practical challenges faced in drilling contract management. Key issues from the discussion were posed to a panel comprising UNICEF, UNESCO, the International Association of Hydrogeologists and the Government of Botswana. Through this, RWSN was able to demonstrate the links between groundwater governance and practical issues such as drilling supervision. We also established links between pump specialists.



The new **Management and Support** theme (led by Marieke Adank of IRC) kicked off in the second half of the year, with two face-to-face meetings with people from all continents sharing experience, triggering a desire to collaborate more and establish a working group for the theme.

Innovative Projects

Skat Foundation is an initiator and implementer of innovative projects on the exchange on knowledge and experience in development co-operation. The projects are run in partnership with other organisations. The projects are financed by a combination of Skat's own resources and contributions by other funding agencies.

The table below provides an overview about the on-going innovative projects in Skat Foundation's three strategic fields:

Strategic Fields	Selected Innovative Projects
<p>Information and knowledge: Provision of access to knowledge and experience in Skat's fields of competence</p>	<p>The manual "Appropriate Building Material" had been the best-seller in Skat's bookshop for many years. However, since its content is outdated to a great extent it shall be replaced by a support package for the construction sector consisting of four sub-packages as follows:</p> <ul style="list-style-type: none"> Buildipedia Promotion of innovative building solutions Smart Building-solutions and Evaluation Tool (SBET) Skills Training Re-edition of the publication "Work the Net"
<p>Networks: Initiation, participation, supporting and/or facilitation of national and international networks</p>	<p>World Bank-RWSN webinars</p>
<p>Projects: Initiation and implementation of innovative projects in support of knowledge and experience sharing and capitalization</p>	<p>Practical Training for Sustainable Water Supplies: Development of Training Modules</p>

Implementation and fund raising for the selection of selected innovative projects continued in 2012. Where possible, opportunities, such as partnerships have been followed. The progress of projects has varied according to available resources and capacities. Achievements in 2012 and the plans for 2013 are as follows:

Support Package for the Building and Construction Sector

The original project idea was to up-date Skat's Manual "Appropriate Building Material" through the use of modern communication technologies and create buildipedia.ch in the style like Wikipedia. This idea is still very valid and will be followed up. However, in the view of additional needs as well as the interest of potential support agencies additional activities (sub packages) have been considered in support of the building and construction sector. The table below shows in brief the entire support package for the sector.

Sub Packages	Progress in 2012
<p>Buildipedia: Creation of buildipedia.ch in the style like Wikipedia; containing a collection of selected and carefully quality checked information (factsheets, and manuals) of field proven building materials, technologies, and technical infrastructure systems. (Only products that meet Skat quality standards will be uploaded).</p>	<p>The project idea has been taken over to the recently started PROECCO project in central Africa. Hence the development of "Buildipedia" will have a regional focus before it will be opened up to the global level. At that point Skat Foundation will become actively involved.</p>
<p>Promotion of Innovative Building Solutions with special focus on Energy-Efficiency: Development of R&D in selected areas in collaboration with local partners. Development of a small set of detailed project proposals for a test-run of the new technology in a selected target area, which can be submitted to interested funding partners from the private or public sector.</p>	<p>Two potential options for cooperation have been investigated and will be further followed up: a) Hilti Foundation, Schaan; b) ESCAP Bangkok. This project idea will be translated into action through action research. Skat Foundation will offer a platform for additional dissemination.</p>
<p>Smart Building Solution and Evaluation Tool (Sbet). Decision makers from public and private sectors have a user friendly on-line decision making aid for identifying building solutions, which best fulfil their individual selection criteria. Basis for the Sbet is the existing software www.sbet.ch made by Skat in 2006. The existing structure of this on-line tool shall be analysed and elements that require adjustments will be identified in cooperation with the ETHZ department involved in Life Cycle Analyses of building material and makers of Smartvote.ch (Gewerblich-Industrielle Gewerbeschule and University of Berne).</p>	<p>In the PROECCO project it planned during phase 2 to develop a tool in the style of Sbet. (For the time being the approach seems to be too sophisticated in the given context). Skat Foundation is still convinced that Sbet would offer a very effective approach for the selection and development of appropriate building solutions. That is why additional opportunities will be looked for.</p>

Skills training. A set of standard training modules (manuals, teaching tools, etc.) for different target groups is compiled in a flexible form, which allows fine-tuning of the training courses to the local context and the individual needs of specific market areas. Skat will facilitate and guide the local adaptation of the training contents and ensure the quality of the sessions.

Holcim showed concrete interest for this sub-package. Meeting with Holcim representative took place; power point presentation tailored for Holcim internal promotion was prepared; Holcim representations in Asia countries were informed and concrete interests have been expressed; however, the process came to a hold because of re-organization measures within Holcim. The initiative will be again followed up by mid-2013.

Synergies are expected from building material trainings that are planned in the PROECCO project

Re-edition of the publication “Work the Net”

The GIZ publication “Work the net” has become a “bestseller” in international network and knowledge management. The guide addresses networking practitioners, as well as other professionals wishing to set up a network, but also established networkers will find some useful tips. This hands-on guide in concise A5 format describes on 140 pages how formal networks can be set up, managed and used in an efficient and effective way. The process-oriented approach is explained with a flow chart, and checklists summarise the crucial steps. A resource section provides relevant publications and websites. The first edition from 2008, however, needs to be updated. Thus, in 2012, GIZ mandated Skat Foundation to revisit the Handbook including new developments in network management literature and new experience from GIZ network practice into an updated and upgraded new edition.

World Bank-RWSN webinars

A series of **World Bank-RWSN webinars** ran for eleven weeks in the spring. The term ‘webinar’ means a seminar held on the World Wide Web. Typically, one or more presenters give a talk about the subject and answer questions from the audience, who take part by logging onto the webinar website during the event. The audience and presenters can be anywhere in with an internet connection. The audience can hear the presenters and also either see them (via a video link) or see their presentation slides. This is a great way of having a short international presentation and discussion.

In 2012, RWSN and The World Bank hosted a series of webinars on rural water supply. They provided a mechanism for 70 to 100 people from all over the world to listen to and question rural water supply experts every week. These experts ranged from those working for UN organisations at international level to those managing specific projects on the ground. Not only did the participants benefit from the presentations but the experts were also challenged by the questions and new connections formed.

You can watch some recorded examples online: www.rural-water-supply.net/en/projekts/details/46

A new series is planned for autumn 2013 in association with the Water and Sanitation Programme.

Practical Training for sustainable water supplies: Development of Training Modules

In accordance with the conceptual framework for the development of the training modules the following activities were implemented in 2012:

- The modular concept for the training has been systematized in consultation with lead trainer and partners in Cameroon.
- Priority modules for the 2nd pilot training course have been selected and course supporting material compiled (including collection of relevant existing documentation)
- Preparations have been initiated for the implementation of the 2nd pilot training course both at the level of the expert trainer as well as in Cameroon.

Because of Karl Wehrle's unforeseen absence from office in December 2012 and January 2013 the 2nd pilot training course could not be implemented as planned. It has been therefore agreed to postpone the 2nd pilot course for early 2014. The year 2013 shall be used to fine tune the modular concept, further detail the course outline and finalize the documentation (e.g. handouts). Additionally, opportunities for scaling-up of the practical training to other countries in need shall be further explored (e.g. through RWSN).

The financing of the 2nd pilot training course including the development of the supporting documents could be secured. However, additional funding will be required to complete the training modules. Funding opportunities will be explored during 2013.

The Skat Foundation is a legally independent foundation of Skat that is seated in St. Gallen and is under the supervision of the Swiss Federal Supervisory Board for Foundations.

With the Foundation, Skat seeks to make knowledge and experience that it has gathered over several years available to all and promote the international exchange of knowledge and experience. As a socially responsible organisation, Skat covers the operating costs of the Foundation, provides the infrastructure and entrusts a staff member with the Foundation's management on a part-time basis.

Board

The Skat Foundation is led by a Board comprising leading personalities from organisations in international development cooperation, industry, politics, science and education. The Board is in charge of supervising the Foundation.

Committee of the Board

The Committee of the Board prepares the Board's affairs and monitors management activities.

Council of Patrons

The Skat Foundation is supported by a Council of Patrons that provides moral support for the Foundation's goals and activities. The Council of Patrons comprises leading personalities from national and international organisations of development cooperation, public bodies, industry, education and politics.

Head Office

The Foundation maintains its Head Office which also comprise its Secretariat as well as the Foundation bodies.

Partners

The Skat Foundation cooperates with various experienced partner organisations, especially with its parent institution Skat and the development organisations Caritas, Helvetas and Swisscontact. In addition, the Foundation maintains close working relations with various partners and competence centres in developing countries and countries in transition.

Staff

Karl Wehrle, Senior Water and Environmental Specialist of Skat, is the Foundation's Executive Secretary.

Balance Sheet as of 31.12.2012

Description	(CHF) 2012	(CHF) 2011
Assets		
Cash and marketable securities	256,676	519,161
Receivables third parties	139,174	40,568
Receivables related organisations	714	27,868
Receivables government	23,469	8,096
Advances to projects	0	0
Accrued income	0	0
Work in progress	47,765	28,200
Total current assets	467,797	623,894
Fixed assets	9,000	0
Total non-current assets	9,000	0
Total assets	476,797	623,894
Liabilities		
Liabilities third parties	186,435	261,212
Deferred income/accrued charges	30,592	1,800
Total liabilities	217,028	263,012
Restricted funds	52,895	198,928
Total restricted funds	52,895	198,928
Paid-in capital	215,000	215,000
Internally generated unrestricted operating funds	-8,126	-53,046
Internally generated designated capital	0	0
Total capital of the organisation	206,874	161,954
Total liabilities	476,797	623,894

Notes to the balance sheet

2012 closed with a profit of CHF 44,920. The capital of the organization changed from CHF 161,954 to CHF 206,874.

Notes on the Profit and Loss Account

In 2012 the Skat Foundation received contributions tied to projects from the Swiss Agency for Development and Cooperation (SDC), Austrian Red Cross, UNEP, UNICEF, WaterAid, Skat Consulting Projectfonds, IRC, FIU, WHO and DMAN.

A free donation of CHF 35,000 was given by Skat Consulting Ltd. and of CHF 329 by SWM Corporation

In addition Skat Foundation received restricted donations from World Vision Switzerland, Volkart Vision, ZH2O, Walter Krähenbühl, Weinfeldten and Pit Altwegg, Freidorf.

Profit & Loss Account from 1.1.2012 – 31.12.2012

Description	(CHF) 2012	(CHF) 2011
- Contributions Swiss authorities RWSN 09-11	181,264	142,800
- Constricted Contributions others RWSN	30,000	2,200
Total restricted contributions RWSN	211,264	145,000
- Project income RWSN	431,809	433,609
- Skat Consulting Projektfonds (RWSN)	80,439	37,883
- DMAN VSBK and other SCP	150,384	0
- UNHCR projects	0	83,830
- Other projects	20,326	7,001
Total project income	682,958	562,324
Fund raising	35,329	42,724
Bookshop	2,269	1,991
Sold CDs	0	39
Operating revenue	931,821	752,079
Rural Water Supply Network (RWSN) 2012-2014	-654,985	-615,813
Skat Consulting Projects (Projektfonds) RWSN	-71,324	-37,883
UNHCR Projects	0	-83,830
VSBK and other SCP	-126,311	0
Small Projects	-23,188	-2,200
Bookshop	0	-11
Total direct project expenditures	-875,808	-739,737
Administration	-9,953	-1,907
Intermediate surplus	46,060	10,435
Net financial income	-1,140	1,808
Other income	0	0
Operating surplus	44,920	12,242
Income funds	47,089	769,077
Use of funds	-191,280	-692,105
Internal funds transfer	-1,841	0
Net surplus for the year	-101,112	89,215
Allocation to restricted funds	146,032	-76,972
Allocation to unrestricted operating funds	-44,920	-12,242
Net surplus / deficit for the year after allocations	0	0

Report of the External Auditor

TREHAG

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**Report of the
statutory auditors**
to the foundation board of
skat foundation
Vadianstrasse 42
9000 St. Gallen

St. Gallen, 25.04.2013
RA/bc

Report of the statutory auditors on the limited statutory examination

As statutory auditors, we have audited the accompanying financial statements of skat foundation, which comprise the statement of operations, statement of financial position, statement of changes in capital and funds, and notes, for the year ended 31 December 2012. According to the Swiss GAAP FER/RPC, the Performance report is not subject to the statutory audit of the financial statements.

The financial statements are the responsibility of the foundation board. Our responsibility is to verify these financial statements. We confirm that we meet the legal requirements concerning professional qualification and independence.

Our examination was conducted in accordance with the Swiss Standard on the limited statutory examination. This standard requires planning and performing the examination in order to detect material misstatements in the financial statements. A limited statutory examination mainly consists of inquiries of personnel, analytical procedures and detail examination on test basis of documents available within the company. On the other hand, examination of operational sequences and internal controls as well as inquiries and other procedures to detect fraud are not included in this examination.

In our opinion, the financial statements for the year ended 31 December 2012 give a true and fair view of the financial position, the results of operations and the cash flows in accordance with Swiss GAAP FER/RPC, comply with Swiss law and with the articles of association.

During our examination, nothing came to our attention that causes us to believe that the financial statements and the proposed appropriation of available earnings do not comply with Swiss law and the company's articles of incorporation.

Best Regards
TREUHAND ST. GALLEN AG



B. Brunschwiler R. Allenspach
(Executive Auditor)

Management Bodies

Board

Rolf Leutert, Neuhausen, President

Juerg Christen, Skat Consulting, St.Gallen

Xaver Edelmann, EMPA, St.Gallen

Peter Schmidt, Helvetas, Zurich

Georg von Krogh, ETH Zurich

Felix Walker, St.Gallen

Albert Schnyder, Caritas Schweiz

Committee of the Board

Rolf Leutert, Neuhausen, President

Juerg Christen, Skat Consulting, St.Gallen

Council of Patrons

Eugen David, Member of the Council of States, St.Gallen

Thomas Dyllick, IÖW, University of St.Gallen

Richard Gerster, Gerster Consulting, Richterswil

Gourisankar Ghosh, WSSCC, Geneva

Ashok Khosla, Development Alternatives, New Delhi

Rolf Wilhelm, former Deputy Director, SDC, Niederscherli

External Auditor (Accounts)

Treuhand St.Gallen AG, St.Gallen

Executive Secretary

Karl Wehrle, Executive Secretary

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Euro IBAN: CH27 0078 1608 6366 8200 2

US-Dollar IBAN: CH54 0078 1608 6366 8200 1

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